people employed in serving rather than manufacturing jobs. The white collar superceded the blue collar. With a greatly accelerated rate of knowledge and technology and with the shortening of time between discovery and actual production of a new product or process we can anticipate that by 1975 ¾ of our working population will be producing goods and services that have not yet been developed.

Indeed, we can go still further. Since 1960 we have had a larger education than labor force, if we calculate all those engaged in full or part time education or labor re-training or significant adult and employee training. Though one cannot be absolutely precise, there was a rough equivalence between the labor and learning forces in 1960; in 1975 the learning force will be more than 50% the larger.

All expenditures for education—public and private—now just exceed 52 billion. This approaches 7% of our gross national product. In dollar terms this is almost a five fold increase in 15 years and double in the percentage of the gross national product.

These are inescapable and irreversible trends. As Daniel Bell has pointed out, "the ganglion of our society is knowledge". We are the first nation in human history in which more than half of the employed population is not involved in the production of food, clothing, houses, automobiles, or tangible goods. We are the first society in which professional and technical employment exceeds 10% and will rise to 15% in but ten years.

And ours is the country in all history which has most responded and prospered from the spur of innovation, of widely diffused, and anticipated change. The place which the university has as a central institution for setting goals, channeling change, and training in this setting is perfectly evident. The resilience and creative adaptions which our colleges and universities have made is a remarkable part of this story. Loras has shared in this adventure.

But for this college and for most others the next decade will become even more demanding and place an even greater strain on your qualities of leadership and human ingenuity.

For education is no longer confined to the ivy covered buildings of the college campuses—but has expanded into every aspect of American life.

Students no longer study social causes and changes from text books alone—they are an active agent in those causes and those changes.

They no longer sit in only the classrooms and learn about political history—they march in Alabama and register voters in Mississippi.

They are no longer content with the established regulations and received traditions alone, they wish to test their validity and have a voice in their adoption to present circumstance.

As the student examines his society from this new perspective, he becomes more aware of its failures, and the failure of traditional text book concepts to come to grips with the problems which he sees.

And at the same time that these frustrations are building, he is being administered what John Gardner the secretary of Health Education and Welfare, has penetratingly described as "the anti-leadership vaccine".

At the very point in our history when we most need imaginative, creative leadership, we are too often immunizing many of our most gifted young people against any disposition to assume leadership.

"The young person today", says Mr. Gardner, "is acutely aware of the fact that he is an anonymous member of a mass society, an individual lost among millions of others. The processes by which leadership is exercised are not visible to him, and he is bound to believe that they are exceedingly intricate. Very little in his experience encourages him to think that he might someday exercise a role of leadership."

But instead of overcoming this undertow away from leadership, a college education may only reenforce it.

The more a young person is indoctrinated into the settled attitude and frozen techniques of his chosen profession or life study, the less he is directed to the larger and emergent problems with which a true leader must be concerned, and the less interested he becomes in leadership as such. He develops skills—as a scholar, a scientist, or a professional person—which make him more capable of leadership only in the very narrowest sense—superior skill within his own limited field.

As a result, Mr. Gardner says, "the academic world appears to be approaching a point at which everyone will want to educate the technical expert who advises the leader, or the intellectual who stands off and criticizes the leader, but no one will want to educate the leader himself."

The college must guard against the trend of educating too many experts to advise and criticize and too few leaders to lead and mobilize.

The results too often is a disaffection from the established institutions of our society, a retreat to the politics of protest instead of action, alienation and withdrawal rather than involvement—a contagious escapism.

I do not intend to suggest that colleges are the principal culprits or the principal cures for our national failures. They are but one of the vital agencies for social change and human betterment.

Nor do I believe that student protest has an unerring instinct for either truth or reform. Some of it is frivolous: some of it is imitative: some of it is shallow in its perceptions.

Nor do I ask that colleges be responsive to every gust of change, to each headline in the morning paper, to every cry of alarm from either the politician or the expert. Learning for its own sake, detached judgement, and continuity are still values to be prized in our colleges.

But I do say that our leading colleges and universities must give their students and communities an appreciation for the contour lines of social change and for the mainsprings of danger and need.

There is little doubt that the highest need we have now—and will continue to have—is a better understanding of our urban society. We need to know more about its tensions, the quality of life within cities, the ways in which cities, large and small, can better absorb and guide the inevitable changes of this decade and the next ones.

Yet, as Patrick Cardinal O'Boyle, the archbishop of Washington pointed out in a pastoral letter this summer:

"As Christians, our efforts . . . have been feeble. Our support of desperately needed programs . . . has been far less than adequate. Our education system throughout the Nation moves at a snails pace in its faltering effort to readjust to the rapidly changing situation in our crowded urban centers."

Congress must assume its share of the blame for the present situation. It would be bad enough if we had done nothing at all. But to start programs like the War on Poverty, the Teachers Corps, or Rent Supplements, and then to refuse to fund them adequately once we have aroused expectations, only further intensifies very legitimate frustrations. And this represents the real crisis—fear which breeds resentment, a resentment which feeds even greater hostility, a failure of understanding and communication.

How did it happen, in a Nation built on traditions of justice and opportunity?

From the point of view of the average American, the Negro has seen steady and continuous progress. In a relatively short period of time, the entire structure of discriminatory legislation has been torn down. Negro Americans have entered the professions, the Cabinet, and now the Supreme Court. And the taxpayer himself has paid for poverty programs, education, job training, and urban renewal.

He asks himself then, what reason can there be for violence, or frustration, or dissatisfaction with present progress. But, for the young man in the ghetto, that progress is not very significant.

He is no longer in servitude, but he has only about once chance out of three of getting a job that pays as much as $60 a week.

He can vote, but even if he has been able to stay in high school and earn his diploma, he very likely has only the equivalent of an eighth grade education in Dubuque.

He can eat at the same lunch counter as a white man, but he probably has only 70¢ a day to spend on food.

Somehow, if progress is to have meaning, we must bridge the communication gap between the inner city and the suburbs, between rural and urban America, so as to develop public understanding and compassion which can be translated into positive action. It is in this task that the college is an indispensable link and can play a crucial mediating role.

I am not just talking about training priests or social workers—although it is essential that they have this understanding and compassion.

I am talking about developing these attitudes in the engineers, the chemists, the doctors, the accountants who will be the voters and taxpayers and opinion makers upon whom our progress as a nation will depend.

I contend that we have no more to fear from the hippies and the protest marchers, who have assessed the problems of our society and have withdrawn, or gone into sterile rebellion, than we do from upstanding young men and women who are abiding by the rules, learning their physics, or business administration, or mechanical drawing, and going out to assume their roles in society with *no personal concern* about the problems of their less advantaged fellow Americans and about the cities in which they work.

Without abandoning or distorting its search for excellence, or its independence, the college and university can contribute importantly in this search. It can teach the students to be challenged and stimulated by the ambiguity of our society, not, in David Reisman's phrase, "threatened with complexity." Progress depends on compromise and students must be lead to the ability to cope with problems for which there are no wholly satisfactory solutions in the short-run.

It can re-direct itself toward the development of generalists in an age of specialization. More than anything else, our society needs today the man who can be the skilled professional, yet is not imprisoned by his subjects or calling. A sense of relevance, a capacity to observe trends and needs outside one's special field, a vision of larger issues need not be the casualties of our specialized age. And finally, colleges and universities must critically evaluate their resources and capacities for meeting the growing pressures of an urban civilization. No one college can span the whole panorama of urban crisis, but their is hardly any which cannot make a distinctive contribution if it seeks to. Each college must discover where its strength lies, what it can do, where it can stimulate creative responses, where it can be relevant.

But equally colleges can no longer be isolated, either from their communities or from each other. Whenever possible colleges must develop productive associations: in common access to university facilities, in arrangements which permit interchange of students in special fields, in consortia which will make feasible graduate or special training beyond

the resources of a single college, in common systems of information retrieval and storage when this becomes economical and available not many years from now.

In turn, our private colleges have a right to look to business for greater support in the years ahead. Corporate help to the private college has not reached its potential, especially in smaller and newer universities in the city. The frontier of the city is critical for business. Both self-interest and public interest should lead business to a greater support of independent colleges.

The Federal Government, in its turn, will continue to give an important but not commanding share of support to higher education in various ways. But it, too, must be vigilantly self-critical so that a balance is maintained in our patterns of education and that inertia and habit do not become the sole arbitrators. There is all too great a tendency for assistance to flow to a few institutions, in a few regions, in a few fields. Defense, space, and atomic energy, for example, absorb more that ⅔ of all the trained people available for the exploration of our scientific and technological frontiers. In contrast there are but a few persons directing their energies to finding better technologies for low cost housing, to the economics of poverty, to the aesthetics and amenities of city life.

A Congressman can offer to a college only the advice of the amateur. He is somewhat in the situation of the old football coach whose system was described as "punt and pray." But the student and the teacher in the university or college have the opportunity to think reflectively and deeply about the decisive questions of our age. It is here that the first impulses for change and responsible action most commonly are aroused. It is here that knowledge is unified and complexity subdued.

That is why the American people expect so much from their insitutions of learning. That is why it looks to them for relivency and initiative. That is why we value their unwavering commitment to truth.

If there is any certainty about the world of tomorrow, it is that this reliance will grow.

ABM

ADDRESS BY PAUL C. WARNKE, ASSISTANT SECRETARY OF DEFENSE FOR INTERNATIONAL SECURITY AFFAIRS—ANTIBALLISTIC MISSILE

(Mr. NEDZI (at the request of Mr. FOLEY) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. NEDZI. Mr. Speaker, recently, Assistant Secretary of Defense for International Security Affairs, Paul C. Warnke, appeared before the Advocates Club of Detroit and delivered an extremely penetrating address on a topic of most serious concern to all the world, the antiballistic missile. Secretary Warnke, in lucid and logical terms, outlined and reviewed the reasons behind the decisions of our Government in this regard and made it obvious that we continue to seek an understanding with the Soviet Union in order to avoid ascending to another level in a mutually costly arms race. While this new weapons system is oriented toward a Chinese threat, he also expressed our desires for an understanding with the Chinese in this horribly vexatious area.

Under leave to extend my remarks, I submit this excellent statement for the RECORD and commend it to the attention of my colleagues:

REMARKS OF PAUL C. WARNKE, ASSISTANT SECRETARY OF DEFENSE, INTERNATIONAL SECURITY AFFAIRS, BEFORE THE ADVOCATES CLUB, DETROIT, MICH., OCTOBER 6, 1967

At the start, I'd like to express appreciation and apology. Appreciation, of course, for the opportunity to be with you tonight and to share in your fellowship. Apology, for the fact that, inescapably, I'm cast as the skeleton at the feast.

But this is the risk that any group accepts when it invites a speaker from the Department of Defense. We deal necessarily with the implements of death. And today the implements of death are no longer reasonably selective but instead are the frighteningly impersonal instruments of mass destruction.

In recent talks in Washington a high official of an Asian country observed that: "The world is governed by the logic of deterrence." This got me to thinking. And I concluded that the statement, like so many oriental axioms, had a great deal of merit.

As has already been explained, my training and background is that of a lawyer. Accordingly, I have had day-to-day experience with the fact that adherence to the laws that are essential to the preservation of an ordered society turns largely on two kinds of motivation. One is the voluntary recognition by responsible members of society that its ability to function depends on conformity to the rules that protect both person and property. But responsible individuals never make up the totality of any population. Other elements can be compelled to comply with the basic laws only because they are deterred from anti-social conduct. Deterrence exists in the likelihood that deviation from society's rules will lead to punishment. And the surer that punishment, obviously, the stronger the deterrent becomes. As the likelihood of punishment diminishes, the likelihood that the laws will be flouted by irresponsible individuals obviously will increase. This inverse ratio is what has stimulated the lively debate as to whether our courts have gone too far in seeking to assure the Constitutional rights of those accused of crime. Concern about individual liberties admittedly detracts from the certainty that the guilty will be punished. But it also protects those mistakenly charged with crime and prevents the distortion of our free society into a police state.

Without getting further into a debate outside my present field, I would note that fear of punishment can never deter all criminal conduct. There is, in any population, a residuum of individuals who cannot be expected to adhere to the rules of organized society either from innate responsibility or from apprehension that departure from them will result in punishment. There are individuals who, because of mental incapacity or a desperate conviction that they have nothing to lose, will stumble into criminal behavior or will seek determinedly to tear at the fabric of the society in which they find no place. This last phenomenon—of which you in this city have special knowledge—underlies the riots that have troubled our internal serenity during the past few years. Other crimes of course result when normally law-abiding persons are prey to panic or passion that overcomes both their normal responsibility and the fear of punishment.

Tonight I would like to discuss with you the implications of these universal principles to the field of international security. Because, as I see it, the logic of deterrence that permits any particular society to function applies as well in the sphere of international relations.

In the world community, the generality of nations conduct themselves responsibly because they recognize that their mutual interest is served by the responsible conduct of world affairs. A few, regrettably, may have to be deterred from aggressive efforts to better their own position at the expense of their neighbors. Today, we possess a deterrent force that permits certain response in sudden, sure and shattering strength. By all the logic of deterrence, therefore, fear of reprisal should be sufficient to make us safe from nuclear attack from any source.

Yet, as you know, Secretary of Defense Robert McNamara announced last month that the United States had decided to deploy a system of anti-ballistic missiles designed to protect against the possible Chinese threat.

This decision, of course, has very substantial implications for the area of my responsibility as Assistant Secretary of Defense for International Security Affairs. I would like therefore to consider with you this evening the likely impact of our deployment on international security.

In particular, I want to talk about the likely impact of this deployment upon our efforts to maintain the security of Asia.

In addition, I will discuss its bearing on our efforts to negotiate a treaty to halt the spread of nuclear weapons and to secure an agreement on the limitation of offensive and defensive strategic systems with the Soviet Union.

I would like to stress that, contrary to the charges of some critics, this decision to deploy resulted solely from a careful consideration of the security interests of the United States and its allies. Outside and unrelated pressures were not a consideration. The positive advantages of the deployment, which I will discuss in a moment, seemed to us to make the decision to proceed a prudent, though close, choice.

Secretary McNamara has made clear his strong opposition to attempting to deploy an ABM system designed to protect our cities against a large Soviet attack. He is opposed, not because he does not want to protect our cities, but because of his belief, which I share completely, that this is not possible, that the Soviets would respond to our deployment in ways which would leave our cities still exposed. The deployment thus would not increase our security.

Secretary McNamara's consistent and determined public opposition to a Soviet-oriented ABM system has led to the misconception that he has been opposed to any ABM deployment. In fact, the Defense Department has been giving close consideration to the question of a Chinese-oriented ABM deployment for some time. Let me just remind you briefly about what we have said previously on this question.

Secretary McNamara first noted the need to consider the possibility of a small nuclear attack on the United States by a nation other than the Soviet Union in February 1965. In his posture statement to the Congress for the coming fiscal year, he identified the risk of such attack as emanating from Communist China. However, he stated that the "lead time for that nation to develop and deploy an effective ballistic missile system capable of reaching the United States is greater than we require to deploy the defense."

The following year, in Mr. McNamara's posture statement to Congress in February 1966, reflected his encouragement at the technical progress being made in the development of the ABM subsystem, particularly the long-range interceptor missiles. It also recorded his judgment that the system could be effective against the foreseeable Chinese threat. I quote him:

"Initially, the deployment concept for NIKE X contemplated the point defense of only a relatively small number of the larger cities against a heavy Soviet attack. Subsequently, as I described last year, it became feasible to consider extending protection to smaller cities by modifying certain NIKE X subsystems and using less extensive and sophisticated deployments. Even this concept, however, still left most of the country vulnerable to great damage even from a small

attack deliberately designed to avoid our defended cities.

"This situation has now been changed significantly by the emergence of the possibility of developing an area missile defense based upon the use of long-range interceptor missiles which I mentioned previously. Against a relatively light attack, such as the Chinese Communists may be able to mount in the mid-to-late 1970's, an area defense might be very effective, offering the possibility of avoiding any substantial damage."

However, a production decision was not then deemed necessary. At background briefings and press conferences in November and December 1966, following the Chinese explosion of a nuclear weapon in a missile, Mr. McNamara maintained his position on the timing of a decision to deploy an ABM system to defend against the Communist Chinese threat.

We have delayed any decision until now, because one was not needed until now. During the interim, research and development on the Chinese-oriented system continued and the system has been greatly improved. However, the point in time has now been reached when we had to make the decision to deploy if we were to have a system in the field by the time the Chinese could begin to deploy ICBM's. The Chinese could test an ICBM as early as this year and they could have an ICBM capability of some significance by the mid-1970's. Since it will take us five years to deploy our defensive system, we need to begin now if we are to have our defense ready before the Chinese are capable of an attack against the United States.

I have frequently been asked, over the last several weeks, whether our deployment of an ABM system oriented against mainland China does not represent a step backward from our stated desire to try and build bridges to China. Some have suggested that the decision represents an exaggerated view of the actual threat which China poses to the United States and our friends and allies in Asia. I believe that close examination of our motivation in deploying a Chinese-oriented ABM system shows these views to be incorrect. A basic element in our approach to relations with the people of mainland China remains that stated in the President's State-of-the-Union Message. There he said:

"We shall continue to hope for a reconciliation between the people of mainland China and the world community—including cooperation in all the tasks of arms control, security, and progress on which the fate of the Chinese people, like the rest of us, depends.

"We would be the first to welcome a China which had decided to respect her neighbors' rights. We would be the first to applaud were she to concentrate her great energies and intelligence on improving the welfare of her own people. And we have no intention of trying to deny her legitimate needs for security and friendly relations with neighboring countries."

Our ABM deployment will in no way interfere with these efforts. We continue to hope that China will evolve in a way which will make better relations with the leaders in Peking possible, not only on arms control matters but on a broad range of issues.

While hoping for changes in Chinese behavior, we have sought to analyze Peking's current views and attitudes which might affect their use of their developing nuclear capability. We see no reason to conclude that the Chinese are any less cautious than the rulers of other nations that have nuclear weapons. Nor do we believe that Peking is at all ignorant of the effects of nuclear weapons. On the contrary, we believe that the Chinese leaders understand the devastation which the use of nuclear weapons by China could bring to the mainland of China itself. Indeed the Chinese have shown a disposition to act cautiously, and to avoid any military clash with the United States that could lead to nuclear war.

In light of this view of China, then, why did we conclude that a Chinese-oriented ABM system makes sense?

I think one way to approach this question is to consider a hypothetical world without the Soviet Union. In that case, I believe that few would think our decision required much in the way of explanation. Hostile action by China is, unfortunately, not totally inconceivable; and nations have always deployed those defensive systems which could blunt an offensive attack from a possible enemy. If we can create, for a sum well within our means, a system which will greatly reduce if not eliminate the casualties we might receive from a Chinese attack, logic and prudence require that we do so.

Of course the Soviet nuclear force does exist; and, as Mr. McNamara pointed out in San Francisco, one of our major concerns in proceeding with this deployment was that it not trigger an acceleration of the strategic arms race with the Soviet Union. Because of this possible danger—which I wish to return to briefly at the end of my talk—we might well have concluded not to proceed with the deployment without some more specific reason to believe that it would enhance our own security and that of our friends and allies in Asia.

What then is the specific reason that led us to go ahead?

My answer to this question might begin by reemphasis that the cornerstone of our efforts to maintain the security of Asia is our ability to deter aggression. Our fundamental strategy remains deterrence and I want to make it clear that our decision to deploy a China-oriented ABM system is wholly consonant with this strategy. The obligations of the United States in Asia stem most specifically and most importantly from our treaty commitments with a number of Asian nations. In addition, at the time of the first Chinese nuclear detonation in 1963, President Johnson declared that: "Nations that do not seek national nuclear weapons can be sure that, if they need our strong support against some threat of nuclear blackmail, then they will have it."

I have no doubt that the United States would honor these assurances, whether or not we deployed an ABM system. Our European allies have come to understand that the United States has both the will and the capability to deter Soviet aggression in Europe, even though the United States cannot achieve a credible first-strike capability that would prevent Soviet response, and even though American society—but not US strategic forces—would be destroyed in a Soviet attack. Against the much reduced Chinese capability, there should be no doubt as to the credibility of our deterrent.

But despite this, some speculation had developed in Asia, and perhaps also in Peking, as to whether, when Chinese ICBM's were targeted on American cities, the United States would shirk its responsibilities in Asia. Some asked, for example, if the United States would really be willing to risk Detroit to save a small Asian nation. Similar questions had been asked by our European allies as the Soviet nuclear delivery capability grew. As we have learned in Europe, we must be prepared to run risks if our assurances are to have any credibility. But doubts did exist and we concluded that a Chinese-oriented ABM system could serve a valuable role in removing these doubts. In deploying this system, we seek to emphasize the present unique disparity in strategic nuclear capability and technology between the US and China and to extend well into the future the credibility of our option for a nuclear response.

Our deployment will substantially reduce the Chinese Communist capability to threaten American cities and should leave, neither Asia in general nor the Chinese in particular, with any uncertainty as to whether or not the United States would act to prevent the Chinese from gaining any political or military advantage from their nuclear forces. We recognize that this deployment by itself would not be sufficient. The United States will continue to need to act in ways which make clear the credibility of our deterrent. And both we and Asian nations have to continue to maintain the necessary conventional forces to deal with lesser threats. But we believe our ABM deployment is an important, useful step. Hopefully the China-oriented ABM system will also help buy the time within which other political, economic, and social forces can be at work to bring China into responsible participation in an international community. We fully intend to help these forces do their work.

This, then, is how we believe the deployment of the Chinese-oriented ABM system will impact upon our efforts to maintain the security of Asia. What about the physical security of the United States itself?

Secretary McNamara referred, in his speech, to the possibility of Chinese miscalculation, and in a later interview with Life Magazine he made clear that his concern is with the situation in which there is the danger of a pre-emptive attack. Let me explain briefly what our concern is. In a crisis which they had brought on, if the Chinese came to believe that the United States might attack, they might be tempted to launch a pre-emptive strike, hoping to bring down at least a part of the American house in the face of the total destruction, or even only the destruction of their nuclear forces, which at the moment of crisis they feared we were about to wreak upon them. No matter how miscalculating or irrational such an act might seem—and I did say earlier we believe the Chinese leaders to be no less cautious than the rulers of other nations that possess nuclear weapons—under the current circumstances it is not impossible. This danger will pass when China develops, as the Soviets have done, a secure second strike capability. In the interim, we decided that as long as it was within our technical capability to provide an effective defense against this danger, prudence seemed to dictate that we deploy that defense which would further deter the Chinese from pre-empting, and eliminate or greatly reduce our casualties should they engage in such an act.

I am sometimes asked whether China could not nullify our defense by smuggling a bomb into the United States in a suitcase, or blowing up a junk off the California coast. Such activity is, unfortunately, technically feasible, although the magnitude of the potential destruction is not comparable to a missile attack. Moreover, we believe such action is extremely unlikely. As I have suggested, we do not view the Chinese as basically irrational. The suitcase bomb would require the Chinese, in the absence of an immediate crisis, to decide in advance that they wish to destroy an American city, knowing full well the retaliation which would follow. Such behavior seems to us totally unlikely. What our defense is directed toward, as I have said, is the possibility that at the height of a crisis the Chinese leadership might panic and press the button. Our ABM deployment will guard against that contingency, improbable though it too may be.

Of all the possible implications of our ABM deployment, none concerned me more than its impact on our efforts to negotiate a nonproliferation treaty—or NPT—designed to halt the spread of nuclear weapons. We analyzed very carefully the likely impact of a deployment on the on-going negotiations relating to the NPT. We came to the conclusion that our Chinese-oriented ABM deployment should make it easier, and not harder, for countries in Asia to sign the NPT. The increased credibility of the United States deterrent, which we expect to result from our deployment, should make even clearer the lack of any need for independent national

nuclear forces in Asia. If any country in the area has been tempted to develop a nuclear capability because of a fear that we would cease to deter China, our actions should have removed these uncertainties.

One concern in regard to the NPT has related to the question of equality in obligation. The non-nuclear nations have been asserting, quite understandably, that the United States and the Soviet Union should demonstrate a willingness to move toward nuclear disarmament if they are asking the other nations of the world to forego the manufacture of nuclear weapons. Both we and the Soviets have accepted this obligation, and the language of the draft treaty reflects that commitment. However, that commitment does not mean, and I do not believe that other countries would want it to mean, that the United States would refrain from taking all steps that might improve our deterrent against China until China, herself, is prepared to enter into satisfactory arms limitation agreements. I believe our Chinese-oriented ABM deployment meets this criteria.

An additional cardinal point is that this ABM deployment does not signify in any way a change in our attitude toward the Soviet Union. Our view of that relation can be briefly summarized.

The relationship between any two great powers whose interests and activities are as far-reaching as those of the United States and the Soviet Union must necessarily be complex, a mixture of cooperation and conflict. During the first decade after World War II, the U.S.-Soviet relationship was primarily one of conflict. But in recent years, despite areas of deep disagreement—Vietnam and Germany are some examples—the necessity of co-existing in a highly armed world has led us to cooperate where we have interests in common.

Most important of these common interests is the need to prevent nuclear war. Each of us now has the ability to destroy the other's society. This is the most awesome power that men have ever possessed. We do not fear that the present leaders in the Kremlin, or any foreseeable successors, will employ recklessly or irresponsibly the vast resources of destructive capability which they possess. Similarly, we think that we have given them ample evidence that they need fear no such behavior on our part. The costs of nuclear irresponsibility would be too great.

For this reason, another interest we share with them is to prevent the spread of nuclear weapons. This interest is not wholly altruistic: we are concerned not only that new possessors of nuclear weapons may employ them against each other, or against a non-nuclear state; we see an even greater danger in the possibility that the use of nuclear weapons by a third country could precipitate a war which would end in a nuclear exchange between the two so-called Superpowers. In our view, and I would think in that of the Soviet Union as well, each additional nuclear power increases the possibility of nuclear war, by design, by miscalculation, or even by accident.

The U.S. and the USSR have a third related interest: that of reducing the vast amounts of resources which each of us now devotes to military forces and to military hardware. That other and more rewarding uses can be made of these resources is so self-evident, despite the over-all prosperity of American society, that it demands no elaboration. The same is true, to an even greater degree, in the Soviet Union. Similarly, for the health of the world we inhabit, both we and the Russians should be devoting more of our national wealth to improving conditions of life within the less-developed countries.

Our decision to deploy a Chinese-oriented ABM system reflects no lack of concern about what Secretary McNamara called the "mad momentum" of the nuclear arms race. But because our proposed deployment poses no possible threat to the Soviet deterrent, it need lead to no acceleration of the Soviet-American strategic arms race.

We will continue to seek cooperation and agreement with the Soviets whenever our interests converge. In particular, we will continue to hope that by parallel actions, or by formal agreement, the two countries can undertake to limit their strategic offensive and defensive forces. There is no reason to believe that our deployment decision makes them any less willing to enter into talks, or to take parallel actions. In fact, although we cannot be sure, the contrary may well be the case. Moreover, should these talks occur, we hope to avoid bogging down in the perennially difficult issue of international inspection.

Since the end of the second world war, the United States has sought an international agreement to end, or at least slow down, the nuclear arms race. The United States has always insisted, and will continue to insist, on adequate verification of any arms control agreement with our potential adversaries. In deciding whether we need an agreed international inspection system, we assess very carefully the capability of our own unilateral verification systems. As you know, the United States agreed to the three environment test ban treaty, with the full concurrence of the Joint Chiefs of Staff and the consent of the United States Senate, despite the lack of provisions for international inspection. We did so because we were confident, and remain confident, that we can detect any violations of the treaty by the Soviet Union or any other signer. We have, in fact, accurately detected Chinese and French atmospheric nuclear tests.

In considering any possible agreement with the Soviet Union to level off or reduce strategic offensive and defensive systems, or even the possibility for parallel action on the part of the two countries, we may have to depend on our own unilateral capability for verification. We believe a number of possibilities for parallel action and even for formal agreement with the Soviets would permit our reliance on unilateral means of verification. Other more far-reaching agreements, particularly any involving substantial reductions, would require agreed international inspection. You may be sure that we would not accept any agreement unless we had high confidence in our ability to monitor Soviet compliance, either by unilateral means or by agreed inspection procedures. But you may be sure, also, that we will pursue, with diligence and determination, our efforts to bring the nuclear arms race under control.

For we do not believe that continuation of that nuclear competition is without risk, and that risk lies only in seeking agreement with our potential enemies. We now have lived with danger throughout most or all of our adult years. We recognize that all courses have risks and that it is folly, not prudence, to continue on the path that the world has been following without seeking a better way. The U.S. is fully prepared for an end to the nuclear arms race. For the sake of our own and future generations, we can only hope that neither the attitudes of our adversaries nor the gulf of suspicion which separates us will prevent attainment of the objective which is in our common interest.

It is my belief that the decision to go ahead with an ABM system directed against potential Chinese threat will not retard, but rather will advance our progress toward that objective.

(Mr. CONYERS (at the request of Mr. FOLEY) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. CONYERS' remarks will appear hereafter in the Appendix.]

NEW 7-YEAR NOTES BRING HIGHEST INTEREST RATES SINCE 1921

(Mr. PATMAN (at the request of Mr. FOLEY) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, yesterday, the U.S. Government, with the world's strongest economy offered to pay 5¾ percent on a 7-year note of $1.5 billion.

This is the highest interest rate offered on a Government security in 46 years—since 1921 in the administration of Warren G. Harding.

Mr. Speaker, this fantastically high interest rate—5¾ percent—is being paid on a brandnew type of Government security—a 7-year note. As my colleagues remember, the House voted on June 21 to change the definition of a Treasury note from 5 years to 7 years. At the time, many of us argued that the lengthening of the definition of a note would lead only to one result—higher interest rates.

Now we have reaped the high cost results of giving the Treasury authority to market 7-year notes.

Obviously, the results of this first sale plainly tells us that the 7-year notes are to be another vehicle for high interest rates.

Mr. Speaker, there is no excuse for a great Nation like this to pay 5¾ percent on securities fully backed by the credit of our Government. This is just unnecessary gouging of the American taxpayer.

Contrary to some published reports that accompanied the news of this 5¾-percent interest rate, the Federal Reserve System is not meeting its responsibilities in holding down interest rates. The Federal Reserve, if it wanted to operate in the public interest, could support the Government bond market and force down these interest rates. They, of course, are doing the opposite.

Mr. Speaker, when the House considered the debt ceiling legislation in June, we were assured that the approval of the 7-year note would have no effect on interest rates. In other words, the House was led to believe that it could authorize these new notes—which bear no interest ceiling—without requiring the American taxpayers to pay more interest to finance Government borrowings. Mr. Speaker, I quote from page 9 of the Report on the Public Debt Limit, H.R. 10867, as filed by the Ways and Means Committee on June 16, 1967:

> The extension of the definition of U.S. notes to those debt instruments with a maturity of not over 7 years by itself will not have any effect on interest rates, but it will afford the Secretary of the Treasury aid in preventing still further shortening of the maturity of the debt.

Yet, Mr. Speaker, the first sale of these notes established the highest interest rates in Government securities in 46 years. I must respectfully suggest that the 7-year note did indeed have effect on interest rates—a pretty tragic effect for the taxpayer who must foot this additional interest cost.